

REGULAR

NUMBER: 268

TITLE: ORDINANCE OF THE CITY OF MILPITAS LEVYING SPECIAL TAXES
WITHIN THE CITY OF MILPITAS COMMUNITY FACILITIES DISTRICT NO.
2005-1 (PUBLIC SERVICES)

HISTORY: This Ordinance was introduced (first reading) by the City Council at its meeting of May
17, 2005, upon motion by Councilmember _____ and was adopted (second reading) by
the City Council at its meeting of _____, 2002, upon motion by Councilmember
_____. Said Ordinance was duly passed and ordered published in accordance with law
by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Donna Biles, Deputy City Clerk

Jose S. Esteves, Mayor

APPROVED AS TO FORM:

City Attorney

ORDAINING CLAUSE:

THE CITY COUNCIL OF THE CITY OF MILPITAS DOES ORDAIN AS FOLLOWS:

WHEREAS, on April 7, 2005, this City Council (the "Council") of the City of Milpitas (the "City") adopted a resolution entitled "A Resolution of the City Council of the City of Milpitas Declaring its Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes Pursuant to the Mello-Roos Community Facilities Act of 1982" (the "Resolution of Intention"), stating its intention to establish the City of Milpitas Community Facilities District No. 2005-1 (Public Services) (the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, Section 53311 et seq. of the California Government Code (the "Law"), to fund certain park maintenance and street landscape maintenance services (the "Services");

WHEREAS, notice was published as required by the Law of the public hearing called pursuant to the Resolution of Intention relative to the intention of this City Council to form the District and to provide for the costs of the Services;

WHEREAS, the Resolution of Intention called for a public hearing on the District and the possible future annexation of territory to the District to be held on May 17, 2005, and on such date this City Council held the public hearing as required by Law relative to the determination to proceed with the formation of the District, the levy of special taxes therein and the possible future annexation of territory to the District;

WHEREAS, at the public hearing all persons desiring to be heard on all matters pertaining to the formation of the District, the levy of the special taxes and the possible future annexation of territory to the District were heard, evidence was presented and considered by this City Council and a full and fair hearing was held;

WHEREAS, subsequent to said hearing, this City Council adopted resolutions entitled "A Resolution of the City of Milpitas of Formation of City of Milpitas Community Facilities District No. 2005-1 (Public Services), Authorizing the Levy of a Special Tax Within the District, Preliminarily Establishing an Appropriations Limit for the District and Submitting Levy of the Special Tax and the Establishment of the Appropriations Limit to the Qualified Electors of the District" (the "Resolution of Formation"), and "A Resolution of the City Council of the City of Milpitas Calling Special Election Within Community District No. 2005-1 (Public Services)", which resolutions established the District, authorized the levy of a special tax with the District, and called an election within the District on the proposition of levying a special tax and establishing an appropriations limit within the District, respectively; and

WHEREAS, on May 17, 2005 an election was held within the District in which the eligible landowner elector unanimously approved said propositions by its vote cast in the election.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Milpitas, as follows:

Section 1. By the passage of this Ordinance this City Council hereby authorizes and levies special taxes within the District, pursuant to the Law, at the rate and in accordance with the rate and method of apportionment of special taxes appended as Exhibit B to the Resolution of Intention, as modified as described in the Resolution of Formation (the "Rate and Method of Apportionment"), which Rate and Method of Apportionment was approved by the Resolution of Formation, and the Resolution of Intention and the Resolution of Formation are by this reference incorporated herein. The special taxes are hereby levied commencing in fiscal year 2005-06 and in each fiscal year thereafter.

Section 2. The Director of Financial Services of the City is hereby authorized and directed each fiscal year to determine the specific special tax rate and amount to be levied for each parcel of real property within the District, in the manner and as provided in the Rate and Method of Apportionment.

Section 3. Properties or entities of the State, federal or local governments shall be exempt from any levy of the special taxes to the extent set forth in the Rate and Method of Apportionment. In no event shall the special taxes be levied on any parcel within the District in excess of the maximum tax specified in the Rate and Method of Apportionment.

Section 4. All of the collections of the special tax shall be used as provided for in the Law and in the Resolution of Formation including the payment of costs of providing the Services, and the costs of administering the District and of the levy and collection of the special tax.

Section 5. The special taxes shall be collected from time to time as necessary to meet the financial obligations of the District on the secured real property tax roll in the same manner as ordinary ad valorem taxes are collected. The special taxes shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes. In addition, the provisions of Section 53356.1 of the California Government Code shall apply to delinquent special tax payments. The Director of Financial Services is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the County of Santa Clara and to otherwise take all actions necessary in order to effect proper billing and collection of the special tax, so that the special tax shall be levied and collected in sufficient amounts and at the times necessary to satisfy the financial obligations of the District in each fiscal year.

Notwithstanding the foregoing, the Director of Financial Services may collect one or more installments of the special taxes on any one or more parcels in the District by means of direct billing by the City of the property owners within the District, if, in the judgment of the Director of Financial Services, such means of collection will reduce the administrative burden on the City in administering the District or is otherwise appropriate in the circumstances. In such event, the special taxes shall become delinquent if not paid when due as set forth in any such respective billing to the applicable property owners.

Section 6. If for any reason any portion of this Ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel within the District, by a Court of competent jurisdiction, the balance of this Ordinance, and the application of the special tax to the remaining parcels within the District, shall not be affected.

RECORDING REQUESTED BY AND
AFTER RECORDATION RETURN TO:

City Clerk
City of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035-5411

NOTICE OF SPECIAL TAX LIEN

City of Milpitas
Community Facilities District No. 2005-1
(Public Services)

Pursuant to the requirements of Section 3114.5 of the California Streets and Highways Code and Section 53311 et seq. of the California Government Code, the undersigned City Clerk of the City of Milpitas (the "City"), County of Santa Clara, State of California, hereby gives notice that a lien to secure payment of a special tax which the City Council of the City is authorized to levy, is hereby imposed. The special tax secured by this lien is authorized to be levied for the purpose of paying the costs of certain services, all as described in Exhibit A attached hereto and by this reference made a part hereof.

The special tax is authorized to be levied within the City of Milpitas Community Facilities District No. 2005-1 (Public Services) which has now been officially formed and the lien of the special tax is a continuing lien which shall secure each annual levy of the special tax and which shall continue in force and effect until the special tax obligation is permanently satisfied and cancelled in accordance with law or until the special tax ceases to be levied and a notice of cessation of special tax is recorded in accordance with Section 53330.5 of the Government Code.

The rate, method of apportionment, and manner of collection of the authorized special tax is as set forth in Exhibit B attached hereto and by this reference made a part hereof. Conditions under which the obligation to pay the special tax may be prepaid in part and permanently satisfied are as follows: none.

Notice is further given that upon the recording of this notice in the office of the County Recorder, the obligation to pay the special tax levy shall become a lien upon all nonexempt real property within the City of Milpitas Community Facilities District No. 2005-1 (Public Services) in accordance with Section 3115.5 of the California Streets and Highways Code.

The name(s) of the owner(s) of the real property included within the area of this community facilities district and the assessor's tax parcel(s) numbers of all parcels or any portion thereof which are included within the area of this community facilities district, in each case which are not exempt from the special tax and as they appear on the latest secured assessment roll as of the date of recording of this Notice or as otherwise known to the City, are as set forth in Exhibit C attached hereto and hereby made a part hereof.

Reference is made to the boundary map of the community facilities district recorded on April 8, 2005, at Book 41 of Maps of Assessment and Community Facilities Districts at Page 3 (Instrument no. 18310933), in the office of the County Recorder for the County of Santa Clara, State of California, which map is now the final boundary map of the community facilities district.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Director of Financial Services of the City of Milpitas, 455 East Calaveras Boulevard, Milpitas, CA 95035-5411, telephone number (408) 586-3145.

Dated: _____, 2005

By: _____
City Clerk,
City of Milpitas

EXHIBIT A

CITY OF MILPITAS
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(PUBLIC SERVICES)

DESCRIPTION OF SERVICES ELIGIBLE TO BE FUNDED BY THE CFD

Services:

The services to be funded, in whole or in part, by the City of Milpitas Community Facilities District No. 2005-1 (Public Services) (the "CFD") include all direct and incidental costs related to providing park maintenance and street landscape maintenance services, including but not limited to the maintenance of parks, parkways, street median and right of way areas, interchange areas and improvements, plazas, light rail corridors, open space areas and other similar or related areas in the City of Milpitas (the "City"). The CFD may fund any of the following related to the services described in the preceding sentence: obtaining, constructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/or equipment, apparatus, facilities or fixtures in areas to be maintained, maintaining street lighting, irrigation systems and other appurtenances, paying the salaries and benefits of personnel necessary or convenient to provide the services, payment of insurance costs and other related expenses and the provision of reserves for repairs and replacements and for the future provision of services. Any services to be funded by the CFD must be in addition to those provided in the territory of the CFD before the date of creation of the CFD, and may not supplant services already available within that territory when the CFD is created. It is expected that the services will be provided by the City, either with its own employees or by contract with third parties, or any combination thereof.

Administrative Expenses:

The direct and indirect expenses incurred by the CFD or the City in connection with the establishment and administration of the CFD (including, but not limited to, the levy and collection of the special taxes) including the fees and expenses of attorneys, any fees of the City related to the CFD or the collection of special taxes, an allocable share of the salaries of City staff directly related thereto and a proportionate amount of the City's general administrative overhead related thereto, any amounts paid by the City from its general funds with respect to the CFD or the services authorized to be financed by the CFD, and expenses incurred by the City in undertaking any action to collect from or foreclose on properties for which the payment of special taxes is delinquent, and all other costs and expenses of the City in any way related to the CFD.

Other:

The incidental expenses that may be financed by the CFD include: (i) all costs associated with the establishment and administration of the CFD, the determination of the amount of and collection of taxes, the payment of taxes, and costs otherwise incurred in order to carry out the authorized purposes of the CFD, (ii) any other expenses incidental to the provision of the services eligible to be funded by the CFD, and (iii) any amounts necessary to maintain a reserve reasonably required by the City for the payment of the costs of the services.

EXHIBIT B

CITY OF MILPITAS COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels of Residential Property in City of Milpitas Community Facilities District No. 2005-1 (Public Services) ("CFD No. 2005-1"), and collected each Fiscal Year commencing in Fiscal Year 2005-06, in an amount determined by the Council through the application of the appropriate Special Tax, as described below. All of the real property in CFD No. 2005-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2005-1: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or any designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs to the City, CFD No. 2005-1 or any designee thereof of complying with City, CFD No. 2005-1 or obligated persons disclosure requirements associated with the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2005-1 or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2005-1 for any other administrative purposes of CFD No. 2005-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Affordable Housing" means any Dwelling Units located on Residential Property that are subject to deed restrictions, resale restrictions and/or regulatory agreements recorded on the property that provide housing for persons that meet the Low, Very Low, and/or Extremely Very Low income levels pursuant to, as applicable, California Health & Safety Code Sections 50093, 50079.5, 50105, or 50106. The Fiscal Year after the January 1 following the termination of the agreement containing covenants or similar instrument, a Dwelling Unit shall no longer be considered Affordable Housing.

"Assessor's Parcel" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

"Certificate of Occupancy" means a certificate issued by the City that authorizes the actual occupancy of a Dwelling Unit for habitation by one or more residents.

"CFD Administrator" means an official of the City, or any designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"CFD No. 2005-1" means City of Milpitas Community Facilities District No. 2005-1 (Public Services).

"City" means the City of Milpitas.

"Consumer Price Index" means, for each Fiscal Year, the Consumer Price Index published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the San Francisco-Oakland-San Jose Area, measured as of the month of February in the calendar year that ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the San Francisco-Oakland-San Jose Area.

"Council" means the City Council of the City, acting as the legislative body of CFD No. 2005-1.

"County" means the County of Santa Clara.

"County Median Income" means the current median income for the County of Santa Clara as determined by the U.S. Department of Housing and Urban Development.

"Developed Property" means, for each Fiscal Year, all Assessor's Parcels of Residential and Non-Residential Property for which a Certificate of Occupancy, or equivalent certificate, was issued before February 1 of the prior Fiscal Year, but not earlier than February 1, 2005.

"Dwelling Unit" means a building or portion thereof designed for and occupied in whole or part as a residence or sleeping place, either permanently or temporarily, by one family and its guests, with sanitary facilities and one kitchen provided within the unit. Boarding or lodging houses, dormitories, and hotels shall not be defined as Dwelling Units unless the land use permit specifies a residential use.

"Extremely Low-Income Affordable Housing" means Affordable Housing suitable for households with incomes at or below 30% of the County Median Income.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Land Use Class" means the land use class into which an Assessor's Parcel of Residential Property has been assigned.

"Low-Income Affordable Housing" means Affordable Housing suitable for households with incomes at or below 80% of the County Median Income.

"Maximum Special Tax" means, for each Fiscal Year, the maximum Special Tax, determined in accordance with Section C, below, that can be levied on any Assessor's Parcel of Residential Property.

"Market-Priced Residential Property" means Residential Property not classified as Affordable Housing.

"Non-Residential Property" means, for each Fiscal Year, any Assessor's Parcel of Developed Property which is not a Residential Property.

"Property Owner Association Property" means, for each Fiscal Year, any Assessor's Parcel within the boundaries of CFD No. 2005-1 that is owned by or irrevocably offered for dedication to a property owner association, including any master or sub-association.

"Proportionately" means that the ratio of the actual annual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Residential Property.

"Public Property" means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2005-1 that is owned by or irrevocably offered for dedication to the federal government, the State, the City or any other public agency; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act, as such section may be amended or replaced, shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of CFD No. 2005-1 that is encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

"Residential Property" means, for each Fiscal Year, any Assessor's Parcel of Developed Property for which a Certificate of Occupancy has been issued for purposes of allowing residents to inhabit one or more residential Dwelling Units.

"Services" means services that CFD No. 2005-1 is authorized to fund. CFD No. 2005-1 shall finance Services only to the extent that they are in addition to those provided in the territory of CFD No. 2005-1 before CFD No. 2005-1 was created and such Services may not supplant services already available within CFD No. 2005-1 when CFD No. 2005-1 was created.

"Special Tax" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Residential Property to fund the Special Tax Requirement.

"Special Tax Requirement" means that amount to be collected in any Fiscal Year for CFD No. 2005-1 to pay for certain costs as required to meet the needs of CFD No. 2005-1 in that Fiscal Year. The costs to be covered shall be the costs of (i) Services, and (ii) Administrative Expenses; less (iii) a credit for funds available to reduce the annual Special Tax levy, if any, as determined by the CFD Administrator.

"State" means the State of California.

"Undeveloped Property" means, for each Fiscal Year, all property not classified as Residential Property, Non-Residential Property, Public Property, or Property Owner Association Property.

"Very Low-Income Affordable Housing" means Affordable Housing suitable for households with incomes at or below 50% of the County Median Income:

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, all Assessor's Parcels, as applicable within CFD No. 2005-1, shall be classified as Residential Property, Non-Residential Property, Undeveloped Property, Public Property, or Property Owner Association Property. However, only Residential Property shall be subject to annual Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Residential Property shall be assigned to Land Use Classes 1-4, as listed in Table 1, below.

C. MAXIMUM SPECIAL TAX RATE

1. Developed Property

a. Maximum Special Tax

The Maximum Special Taxes for Fiscal Year 2005-06 for Residential Property are shown below in Table 1, based on the Land Use Class in which such Residential Property has been assigned. Under no circumstances shall a Special Tax be levied on Non-Residential Property, or for renovations to an existing Dwelling Unit located on Residential Property.

TABLE 1

Maximum Special Taxes for Developed Property
For Fiscal Year 2005-06
Community Facilities District No. 2005-1

Land Use Class	Land Use Type	Maximum Special Tax Per Dwelling Unit
1	Market-Priced Residential Property	\$310.61 per Dwelling Unit
2	Low- Income Affordable Housing	\$248.48 per Dwelling Unit
3	Very Low-Income Affordable Housing	\$155.30 per Dwelling Unit
4	Extremely Low-Income Affordable Housing	\$0.00 per Dwelling Unit

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2006, the Maximum Special Taxes set forth above shall be increased annually by the greater of the change in the San Francisco-Oakland-San Jose Area Urban Consumer Price Index during the twelve months prior to February of the previous Fiscal Year, or two percent (2%).

2. Undeveloped Property, Non-Residential Property, Public Property or Property Owner Association Property

No Special Taxes shall be levied on Undeveloped Property, Non-Residential Property, Property Owner Association Property, Public Property or Residential Property assigned to Land Use Class 4.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2005-06 and for each following Fiscal Year, the Council or its designee shall levy the annual Special Tax Proportionately for each Assessor's Parcel of Residential Property, at up to 100% of the applicable Maximum Special Tax, until the amount of Special Taxes equals the Special Tax Requirement.

E. EXEMPTIONS

No Special Tax shall be levied on Undeveloped Property, Non-Residential Property, Public Property, Property Owner Association Property or Residential Property assigned to Land Use Class 4. However, should an Assessor's Parcel no longer be classified as Non-Residential Property, Public Property, Property Owner Association Property, or Residential Property assigned to Land Use Class 4, such Assessor's Parcel, if reclassified as Residential Property assigned to Land Use Classes 1, 2 or 3, shall be subject to the Special Tax. Furthermore, an Assessor's Parcel of Residential Property assigned to Land Use Classes 1, 2 or 3, if reclassified as belonging to a different Land Use Class, shall be subject to the Special Tax associated with its new Land Use Class.

Furthermore, no Special Tax shall be levied on the portion of Santa Clara County Assessor's Parcel Number 086-050-09 encompassed by the metes and bounds listed on Attachment 1.

F. APPEALS AND INTERPRETATIONS

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for the appellant's disagreement with the CFD Administrator's determination. The decision by the Council shall be final. The CFD Administrator may charge the appellant a reasonable fee for processing the appeal.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

G. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 2005-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations. In particular, the Special Tax for Affordable Housing may be collected off of the tax roll, to facilitate payment of the Special Tax by a party other than the property owner.

H. TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity as necessary to meet the Special Tax Requirement.

ATTACHMENT 1

All that real property situated in the City of Milpitas, County of Santa Clara, State of California, described as follows:

A portion of "Parcel B", as said Parcel is shown on that certain Record of Survey Map filed March 7, 1963, for record in Book 157 of Maps, at Page 56, Santa Clara County Records, being more particularly described as follows:

Commencing at the point of intersection of the centerline of Abel Street, 90.00 feet wide, as shown on said Map, with the prolongation of the northerly line of "Parcel B", as shown on said Map; thence running along said northerly line and the prolongation thereof

- a.) S64°01'00"W, a distance of 1,825.87 feet to the TRUE POINT OF BEGINNING; said point also being the beginning of a curve to the right, from which the radius point bears S25°59'00"E, a radial distance of 45.50 feet; thence leaving said northerly line
- 1.) Easterly and Southerly along said curve to the right, through a central angle of 142°55'16", a distance of 113.50 feet; to the beginning of a reverse curve to the left having a radius of 25.00 feet; thence
- 2.) Southerly along said curve, through a central angle of 39°49'17", a distance of 17.38 feet; thence
- 3.) S12°53'01"E, a distance of 413.45 feet to the beginning of a curve to the left having a radius of 370.00 feet; thence
- 4.) Southeasterly along said curve, through a central angle of 2°39'10", a distance of 17.13 feet to the southerly line of said "Parcel B", thence along said southerly line
- 5.) S66°02'30"W, a distance of 622.12 feet to the westerly line of said "Parcel B", said line also being the easterly line of State Highway "Interstate 880"; thence leaving said southerly line and running along said westerly and easterly line
- 6.) N14°19'57"W, a distance of 229.41 feet to the southerly line of the Lands of the State of California as described in the deed recorded July 3, 1970 in Book 8975, Page 149, Official Records of Santa Clara County, California; thence running along said southerly line
- 7.) N75°40'03"E, a distance of 14.00 feet to the easterly line of said Lands of the State of California; thence leaving said southerly line and running along said easterly line
- 8.) N14°19'57"W, a distance of 140.47 feet; thence continuing along said easterly line
- 9.) N09°27'34"W, a distance of 139.91 feet to the northerly line of said "Parcel B"; thence leaving said easterly line and running along said northerly line
- 10.) N64°01'00"E, a distance of 572.58 feet to the TRUE POINT OF BEGINNING.

Containing 315,187.25 square feet or 7.2357 acres, more or less.

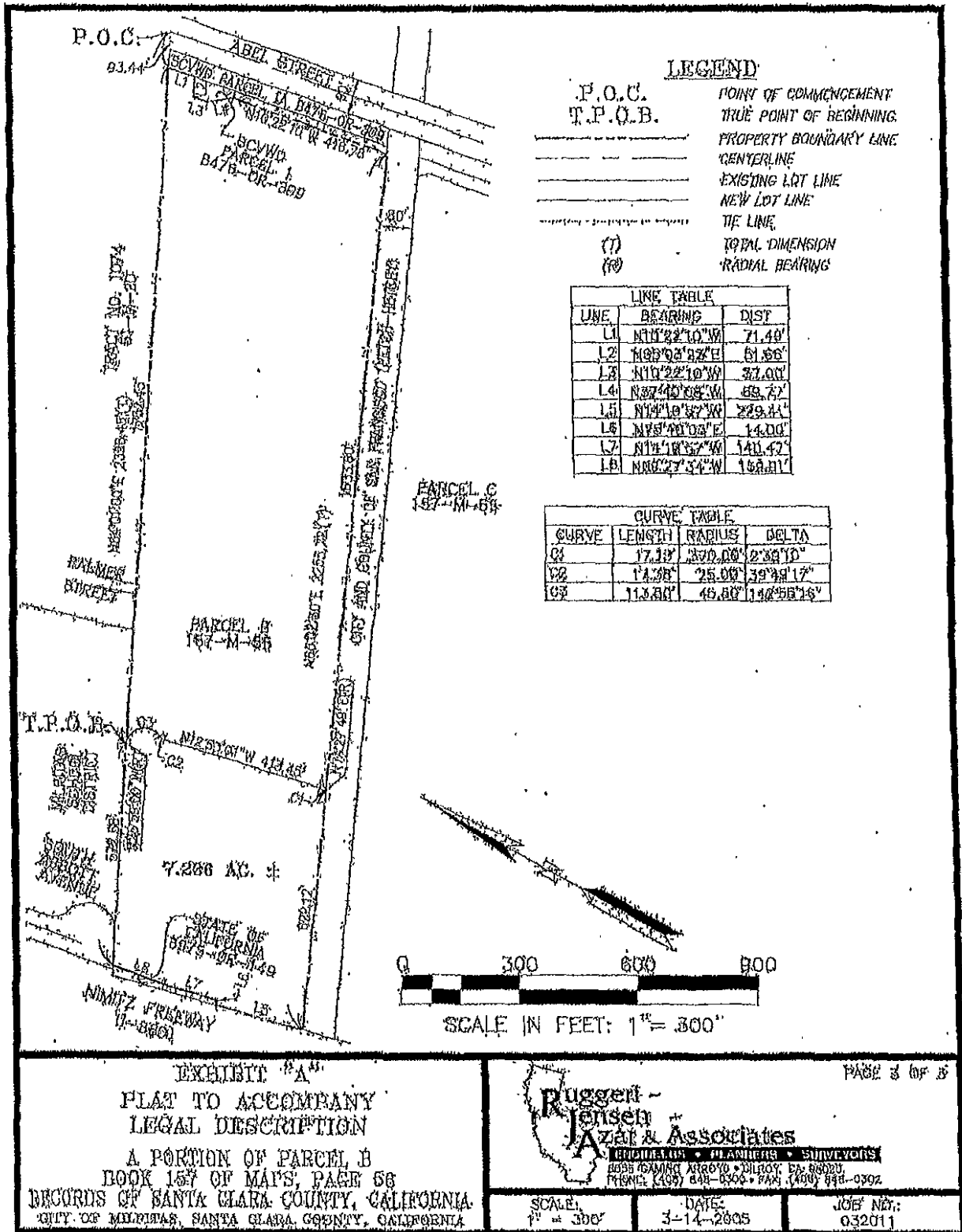


EXHIBIT C

CITY OF MILPITAS
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(PUBLIC SERVICES)

ASSESSOR'S PARCEL NUMBERS AND OWNERS
OF LAND WITHIN THE DISTRICT

Santa Clara
County Assessor's
Parcel Number

Por. 086-11-013

Owner of Record of Parcel

KB HOME South Bay Inc.
6700 Koll Center Parkway, Suite 200
Pleasanton, CA 94566